Foreign Comparative Testing Program Promotes Global Defense Industry Partnerships

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In its 20th year, the Foreign Comparative Testing Program (FCT) continues to remain vital to supporting the U.S. policy of international armaments cooperation and promoting global defense industry partnerships. The FCT program resides under two Department of Defense organizations. It is administered by the Director, Defense Security Cooperation Agency, with day-to-day coordination activities of the program, and by the Director, Test, Systems Engineering and Evaluation, Office of the Under Secretary of Defense (Acquisition and Technology) with fiscal and policy oversight.

The principal objective of the FCT program is to support the warfighter by leveraging non-developmental items of allied and friendly nations in order to satisfy U.S. defense requirements more quickly and economically. Success for the program ultimately depends upon the Services and U.S. Special Operations Command procuring items that test successfully and are of best value. Since its inception in 1980, the program has funded 389 FCT evaluations which have resulted in 175 successful tests. Of these, 97 projects have resulted in procurements worth over \$4.9 billion in FY99 dollars. With an FCT investment of approximately \$693 million, DoD has realized RDT&E cost avoidance of over \$3.4 billion. The following table documents the status of FCT projects in the services and U.S. Special Operations Command:

Table 1. Service and U.S. Special Operations Command Project Participation 1980-1999

<u>Sponsor</u>	Total Projects (1980-1999)	Total Projects Passing <u>FCT</u>	Projects Resulting in <u>Procurement</u>
Army	132	66	40
Navy/Marine Corps	167	72	37
Air Force	82	35	19
USSOCOM (95-99)	8	1	1

FCT projects are nominated annually by the services and U.S. Special Operations Command to the Office of the Secretary of Defense. Each proposed project is screened to ensure the item(s) is non-developmental, there is a valid requirement, a thorough market survey has been conducted, and the sponsoring organization has a viable strategy and funding to purchase the foreign item if it tests successfully and offers best value. Equipping the warfighters with state-of-the-art weapons systems to maximize security and minimize threat, improving acquisition strategies to optimize DoD's ability and resources to provide weapons, and modernizing logistics to reduce cycle times remain high priorities.

Over the past several years, the FCT program has been reoriented to be more consistent with Congress' intent and DoD acquisition reform initiatives. The FCT program places emphasis on having an Operational Requirements Document and procurement funds for service and SOCOM FCT projects, improving operational capabilities, facilitating the rapid fielding of non-developmental equipment, reducing acquisition costs and cycle times, generating operational costs savings, creating teaming opportunities for U.S. and foreign industry, and; in general, contributing to international armaments cooperation. These and other changes have improved and strengthened the value of the FCT program.

Acceptance and participation of other countries is key to the success of the FCT program. Table 2 lists the foreign countries that participated in the FCT Program from FY1980 into FY1999. Numerous FCT projects involved equipment from two or more countries and some have resulted in the procurement of multiple items.

Table 2. Foreign FCT Participation by Country

Country	Number of <u>FCT Projects</u>	FCT Funds Provided (\$ million)	Number of FCT Items Selected for Procurement	Value of Procurements (\$ million)
Australia	15	14.4	1	13.3
Austria	6	1.7	0	0
Belgium	10	4.3	0	0
Canada	33	42.2	7	64.4
Denmark	13	9.2	6	54.2
Finland	4	2.3	0	0
France	60	77.5	7	418.8
Germany	77	99.7	20	915.6
Israel	52	52.2	8	571.2
Italy	15	17.7	0	0
Japan	5	2.5	1	0.2
Netherlands	14	14.7	0	0
Norway	22	21.5	4	464.9
Russia	5	13.5	1	7.7
South Africa	2	1.0	1	10.6
South Korea	2	0.1	0	0
Sweden	44	71.2	12	563.6
Switzerland	5	2.3	1	61.0
Ukraine	1	1.2	0	0
United Kingdom	<u>150</u>	<u>243.7</u>	<u>33</u>	<u>1,796.2</u>
Totals	385	692.9	102	\$4,941.7

Table 2 includes projects conducted under the Foreign Weapons Evaluation and NATO Comparative Testing Programs. Funds are shown in FY1999 dollars. Columns may not total due to rounding.

Additional benefits of the FCT program are that it promotes full and open global competition of "best value" non-developmental products, fully utilizes competitive market forces, and helps our domestic vendors sell U.S. manufactured defense items overseas. The program also strengthens U.S. relationships within the international community by providing tangible evidence (\$4.9 billion in foreign procurements and resultant teaming arrangements generated by the FCT Program) of the U.S.'s commitment to the "two way street."

Foreign items successfully procured through the FCT program play a vital role helping the warfighters accomplish missions throughout the world. For example, during recent operations in the Gulf War and Bosnia, foreign items tested under the FCT program have proven to be the right equipment needed to accomplish the mission. In Desert Storm, the Air Force's primary runway cratering weapon, DURANDAL, from Matra (France), was procured as a result of the FCT program. The Army's Combat Bridging Support Boats, an FCT project from Fairey Allday (U.K.), were used to construct a bridge over the swollen Sava River that was blocking U.S. forces in Western Europe from entering Bosnia. The Marine Corps' Anti-Magnetic Mine Actuating Device from Israel Aircraft Industries and the Air Force's Eagle Vision, a mission rehearsal system from Matra CAP Systems that provides U.S. pilots with imagery enabling near real time practice "fly overs" in Bosnia, are both recent results of the FCT program. U.S. forces backing UN sanctions against Iraq are currently using the BOL Chaff Systems from Sweden (Celsius Tech) on Navy F-14 aircraft for self protection and Improved Chemical Agent Monitors from the U.K. (Graseby) to identify potential chemical munitions.

The above cases provide just a few examples of how the FCT Program promotes global partnerships between U.S. and foreign defense industries. These partnerships or teaming of U.S. and foreign industries can also lead to U.S. production of a foreign item. This is a good way for small foreign vendors to gain entry to what they often perceive as a defense monolith, penetrable only by large U.S. or foreign industries. For the United States, the resultant teaming/partnerships can mean more jobs and better local economies. Additional examples of FCT procurements and the U.S. companies and communities benefiting from the program are included in Table 3.

In a time of global defense industry unification, increasing emphasis on interoperability, shrinking RDT&E funds and shrinking defense markets, the FCT program offers a proven alternative for foreign allies to gain entry into the U.S. defense market. The DSCA program managers at FCT are convinced that competitive marketing and comparative testing are key to acquiring best value products for our number one customer - the warfighter.

Additional FCT Program information is available on the DSCA Homepage or FCT Homepage on the World Wide Web at http://www.dsca.osd.mil or http://www.acq.osd.mil/te/programs/fct/.

Table 3. Examples of U.S. Production Resulting From the FCT Program.

<u>Item</u>	Foreign Mfr./Country	U.S. Production	Location
60/81mm Mortar Training Ammunition	SOLTAM/SALGAD Israel	POCAL	Moscow, PA
105mm Lightweight Howitzer	Royal Ordance, United Kingdom	Rock Island Arsenal Watervliet Arsenal	Rock Island, IL Watervliet, NY
120mm Tampella Mortar and Ammunition	IMI, Israel	Martin Marietta Valentec Radford Army Ammo Plant Brockway Standard Loral Corporation United Ammo Center AMRTEC	Milan, TN Mt. Arlington, NJ Radford, VA Homerville, GA Scranton, PA Milan, TN Coachella, CA
Chemical Agent Monitor	Graseby, U.K.	ETG, Inc.	Towson, MD
Chemical Defense Equipment Air Crew suits	Blucher, Germany	Hoechst-Celanese Corporation	Charlotte, NC
Combat Support Boat	Fairey Allday, U.K.	Advanced Technology	Charleston, SC
Digital Flight Control	GEC Marconi, U.K.	Northrop Grumman	Bethpage, NY
Eagle Vision	Martra CAP Systems, France	DATRON TRANSCO Inc. ERIM	Simi Valley, CA Ann Arbor, MI
HAVE NAP	Israel Military Industries	Martin Marietta	Orlando, FL
HiPPAG Power Supply	Ultra Electronics, U.K.	Simmonds Precision Motion Control	Cedar Knolls, NJ
Improved Chemical Agent Monitor	Graseby, U.K.	Intellitec	Deland, FL
2KW Generator Set	Mechron, Inc., Canada	Dewey Electronics	Morristown, NJ
M72A3 Light Anti-Tank Weapon	Raufoos, Norway	Talley Defense TRACOR	Mesa, AZ San Ramon, CA
Munitions Ejector Release Units	Alkan, Germany	EDO Corporation	Salt Lake City, UT
Muzzle Velocity System	Reshef, Israel	Technical System, Inc.	Grand Rapids, MI
SANATOR Decontamination Units	Karl Hoie, Norway	Engineer Air, Inc. (EIA)	St. Louis, MO
Small Unit Support Vehicle	Haagland-Soner, Sweden	United Defense Corporation	San Jose, CA
Spray Formed Alloy 625 Piping	AB Sandvik Steel, Sweden	Babcock & Wilcox	Barberton, OH

About the Authors

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